



May 14, 2014

Item No. 14

AUTHORIZATION TO EXECUTE AN AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT FOR LAKE VILLAGE EAST

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners (Board) approve the attached Resolution authorizing the Chief Executive Officer (CEO) or his designee to 1.) execute an Agreement to enter into a Housing Assistance Payments Contract (AHAP) for Lake Village East; 2.) execute a Housing Assistance Payments Contract (HAP) for Lake Village East and 3.) execute all other documents as may be necessary or appropriate to implement the foregoing.

CORPORATE GOAL

The proposed preliminary commitment letter supports Plan Forward Goal #1: coordinating public and private investment to develop healthy, vibrant communities.

This contract will result in more affordable housing opportunities for individuals by providing Property Rental Assistance (PRA) for up to 143 apartments as detailed below.

FUNDING: Housing Choice Voucher Program (HCV) through U.S. Department of Housing and Urban Development's (HUD) Enhanced Voucher Funding

PROPERTY SUMMARY

Development Name	Community / Ward / Alderman	Developer / Owner	Target Population	PRA Units	Total Units
Lake Village East	Kenwood/ 4 th Ward/ Will Burns	Ansonia Properties, LLC	Working Families	up to 143	218

CONTRACT SUMMARY

Development Name	Funding	Contract Term	Contract Type	Initial Estimated Contract	Total Estimated Contract	Application Received
Lake Village East	HCV – HUD Enhanced Voucher Funding	30 Years	AHAP/HAP Contract	\$1,621,070/year	\$65,763,620 (30 years)	March 2014

Proposed Development: Lake Village East

- Substantial Rehabilitation & Preservation of three occupied buildings: one 26-story high rise & two 3-story walk-ups containing 218 units in the Kenwood community area consisting of 50 studios, 75 one-bedroom, 75 two-bedroom and 18 three-bedroom units. Up to 29 studios, 45 one-bedroom, 60 two-bedroom and 9 three-bedroom units will be PRA for Working Families.
- One hundred forty-three (143) households will receive enhanced vouchers from HUD, which may be converted to PRA with tenants' consent. All units converted to PRA will be funded by HUD through the enhanced vouchers, not from Chicago Housing Authority's (CHA) HCV allocation.
- Of the 218 units, 43 will remain under an existing HUD HAP contract and an estimated 32 will be market rate.
- Building amenities include a resident lounge & community room, a large outdoor courtyard & sitting area, laundry facilities, on-site management, part-time door & maintenance staff and 160 off-street parking spaces.

Developer Background: Ansonia Properties, LLC

- Ansonia Properties, LLC was founded in 2002. Its principals have over 25 years of experience in developing, financing and operating multifamily affordable and market rate housing.
- Metroplex has managed the property since 1983 and will continue in this role under new ownership.

Waiting List / Occupancy Process

The building is currently fully occupied. Current residents who elect to convert their enhanced voucher to PRA will remain in their units. At turnover, it is the intent of the owner/manager of Lake Village East to lease all of the PRA-assisted units to eligible individuals from the CHA's waiting lists. CHA will refer families from the Public Housing and PRA waiting lists as well as families whose right of return under the Relocation Rights Contract has not been satisfied. The CHA waiting lists will be exhausted prior to utilization of a site-based waiting list.

Conclusion

The Board action recommended in this item complies in all material respects with all applicable CHA board policies and all applicable federal procurement laws.

The Chief Housing Officer concurs with the recommendation to execute an AHAP and HAP contract for Lake Village East.

The CEO/President recommends the approval to execute an AHAP and HAP contract for Lake Village East.

RESOLUTION NO. 2014-CHA-54

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated May 14, 2014 requesting authorization to execute an AHAP and HAP contract for Lake Village East;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute an AHAP and HAP contract for Lake Village East.



Chicago Housing Authority
60 E. Van Buren
Chicago, IL 60605
312-742-8500
www.thecha.org